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Economic statistics: other economic statistics (city groups on economic statistics and Intersecretariat Working Group on Price Statistics)

Report of city groups

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Statistical Commission the report of seven city groups in the economic statistics area, which are contained in the annex. The report is transmitted to the Commission in accordance with a request of the Statistical Commission at its thirtieth session.[1]

At its thirtieth session (1-5 March 1999), the Statistical Commission welcomed the improved reporting format on the activities of city groups and commended the effort to make information widely available through Internet web sites. The city group web site maintained by the United Nations Statistics Division (<http://www.un.org/Depts/unsd/citygrp.html>) includes information on the groups in the present report as well as other groups active in the social and environmental areas (see also reports on the London Group on Environmental Accounting (E/CN.3/2000/12), the Siena Group for Social Statistics (E/CN.3/2000/14) and the Rio Group on Poverty Statistics (E/CN.3/2000/16)).

The Commission re-emphasized the need for the groups to formulate a clear objective and agenda and make them available to the Statistical Commission. The Statistical Commission is invited to discuss whether the mandates of the various groups are focused and whether their objectives are clear and attainable. The Commission may also wish to comment on the proposals for future work.

Notes

[1] *Official Records of the Economic and Social Council, 1999, Supplement No. 4* (E/1999/24), chap. I.B).

* E/CN.3/2000/1.

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Annex

Report by the city groups

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I. Canberra Group on Household Income Statistics

Purpose

The primary objective is to enhance national household income statistics by developing relevant standards on conceptual and practical issues. The development and implementation of international guidelines and standards will improve international comparability. The Group was established to address the common conceptual, definitional, and practical problems that national statistical offices are facing in the area of household income distribution statistics. Its work is preparatory to a revision of the international guidelines on income distribution.

Year organized

1996.

Participants

Australia, Austria, Canada, China, Finland, France, Germany, India, Italy, Japan, Republic of Korea, France, Malaysia, Mexico, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom, United States of America, Economic Commission for Latin America and the Caribbean, Statistical Office of the European Communities (Eurostat), Inter-American Development Bank, International Labour Organization (ILO), Organisation for Economic Cooperation and Development (OECD), Luxembourg Income Study Group at the Centre for Population, Poverty and Public Policy Studies/International Networks for Studies in Technology, Environment, Alternatives, Development, United Nations Statistics Division, World Bank and Economic Commission for Europe.

Meetings

First meeting: Canberra, 2-4 December 1996

Second meeting: Voorburg, the Netherlands, 9-11 March 1998

Third meeting: Ottawa 7-9 June 1999

Topics considered

Data sources, methodology and quality; measures of income inequality; international comparability; statistical units: concepts, definitions, and use; development of a hierarchy of income concepts and definitions; reconciliation with national accounts and other national aggregates; measurement of self-employment income; and revision of present international guidelines.

Products

All papers and reports of Canberra Group meetings can be downloaded from its web site, which is maintained by the Luxembourg Income Study Group at:

http://lissy.ceps.lu/canberra.htm

Planned activities

A fourth meeting will be held in Luxembourg in May 2000, and will be hosted by the Luxembourg Income Study Group. Topics for the fourth meeting have yet to be determined.

Expected future products (dates)

Summary of proceedings and contributed papers for the third meeting, approximately fall 1999.

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II. Delhi Group on Informal Sector Statistics

Purpose

To exchange experience in measuring the unorganized, or informal sector of the economy, and to prepare a status report and proposals for future work. The objective is to document data-collection practices in the informal sector that

are followed by member countries and to develop suitable methodologies for survey design and data collection in that sector, taking into account the System of National Accounts, 1993 (1993 SNA) and the resolutions of the International Conference of Labour Statisticians.

Year organized

1997.

Participants

First meeting: the meeting was attended by 37 participants from eight countries: Australia, Bangladesh, Brazil, Colombia, India, Mexico, Sri Lanka and Turkey. In addition, representatives of the ILO, the United Nations Statistics Division, the Economic and Social Commission for Asia and the Pacific (ESCAP) and the Asian Development Bank also participated.

Second meeting: the meeting was attended by 35 participants from nine countries — Armenia, Australia, Colombia, India, Mexico, Nigeria, Poland, Turkey, Zambia — as well as five international organizations — the Economic Commission for Latin America and the Caribbean, ESCAP, the ILO, the Statistical Institute for Asia and the Pacific and the United Nations Statistics Division — and a number of other institutions — the Harvard Institute for International Development, Women in Employment Globalizing and Organizing, the French Scientific Research Institute for Development and Cooperation, and the Self-Employed Women's Association.

Third meeting: the meeting was attended by 65 participants from four countries — Australia, Nigeria, Mexico and India. Two international organizations — the ILO and ESCAP — and three other institutions — Women in Employment Globalizing and Organizing, the Self-Employed Women's Association and the Gujarat Institute of Development Research — also participated.

Meetings

First meeting: New Delhi, 20-22 May 1997

Second meeting: Ankara, 28-30 April 1998

Third meeting: New Delhi, 17-19 May 1999

Topics considered

First meeting: apart from finalization of the terms of reference of the Delhi Group, participating countries presented country papers on the practices followed in their countries for collection of data and the current status of data on informal sector statistics. International organizations also reported on their recent activities in this area.

Second meeting: discussions mainly focused on the current status of data on the informal sector and its limitations; country profiles; informal sector definition, operationalization, delineation, classification and sub-classification; survey design, area sampling, and frame and sample design; mixed household and enterprise surveys; problems in collection of data and quality aspects; the contribution of the informal sector in terms of employment, value addition, capital formation etc. in the national economy; and the social security of workers in the informal and unorganized sector.

Third meeting: consisted of three sessions, devoted to the following subjects:

(a) Clarification and operationalization of the fifteenth International Conference of Labour Statisticians/ 1993 SNA international definition of the informal sector;

(b) Development of strategies to address sample frame and weighting issues in informal sector surveys;

(c) Development of an appropriate methodology for more accurate measures of value added from the informal sector.

Products

Reports of the first, second and third meetings.

Planned activities

Pursuant to the recommendations of the third meeting, work on the following projects is in progress:

(a) Results of the surveys on the informal sector conducted by different countries may be discussed as the main topic of the next meeting of the Delhi Group with a view to recommending survey methodologies for the collection of data on various aspects of the informal sector and improving data quality, including reduction of non-sampling errors. Project members include Nigeria, India, Australia and the ILO. The project leader will be the ILO;

(b) Investigate and develop an appropriate methodology to develop more accurate measures of value added. Project members include Armenia, Turkey, India, the United Nations Statistics Division, Mexico and Mrs. Ferran;

(c) Following the definition of informal sector as proposed, an attempt should be made to estimate the contribution of the informal sector to gross domestic product (GDP) on a regular basis. The project will be run by

Mr. Jacques Charmes, Professor, University of Versailles, France and India;

(d) Develop strategies to address sample frame and weighting issues. Project members include: India, Nigeria and the ILO. Nigeria will be project leader;

(e) The advantage and limitation of different survey methods and sample design for collection of data on the informal sector may be investigated and discussed. Project members include India, Nigeria and the ILO;

(f) The Delhi Group should formulate recommendations regarding the identification of precarious forms of employment (including outwork/home-work) inside and outside the informal sector and submit them to the Paris Group on Labour and Compensation for its consideration.

Future programme

It has been decided to hold the fourth meeting of the Delhi Group either at ILO headquarters at Geneva or in Nigeria after June 2000 but before September 2000.

Point of contact

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III. Expert Group on Capital Stock Statistics

Purpose

1. To clarify the conceptual issues underpinning capital stocks and flows.

2. To exchange research and experience related to the problems of capital stock and flow measurement.

Year organized

1997.

Participants

Countries

Australia, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Indonesia, Italy, Japan, Malaysia, Mexico, Netherlands, New Zealand, Norway, Republic of Korea, Russian Federation, Singapore, South Africa, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

International agencies

International Monetary Fund (IMF), OECD, ECE, United Nations Statistics Division, World Bank, Eurostat.

Expert advisers

Erwin Diewert, Peter Hill, Charles Hulton, Dale Jorgenson, Jack Triplett.

Meetings

Canberra, 10-14 March 1997

Paris, 29 September-2 October 1998

Washington, D.C., 8-10 November 1999

Topics considered

Measurement practices of participating countries; concepts of capital stocks and flows; practice and problems of the perpetual inventory method; alternative approaches to measuring capital stock, primarily direct collection; commercial accounting issues; current price and volume measures; balance of fixed assets and capital stock estimation in transition countries; experience with multi-factor productivity; new measures of capital related to the extension of the asset boundary as recommended by the 1993 SNA; balance sheet issues; and international comparability and cooperation.

Products

Documents and final reports of the 1997, 1998 and 1999 meetings are available on the web site (see address below).

The Group is developing a handbook on capital stock and flow measurement that covers both conceptual issues and suggested best practices in compilation. The handbook, which will be published by OECD, will be part of the reference documentation on the 1993 SNA.

Planned activities

A draft of the handbook has been prepared and was reviewed at the November 1999 meeting of the Group. In the light of discussion at that meeting, the handbook is being redrafted over the period to mid-May 2000. The Group will then have until end-June 2000 for final review of the handbook before it is submitted for publication.

Expected future products (dates)

A handbook on the measurement of capital stocks and flows is expected to be published in the second half of 2000.

The Group will continue to discuss, through its electronic discussion group database, concepts and practices in the measurement of capital stocks and flows. Depending on the outcome of these electronic discussions, the Group may choose to have a future meeting, though no such meeting has yet been scheduled.

Point of contact

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IV. Ottawa Group on Price Indexes

Purpose

The Ottawa Group was created to provide a forum for specialists to share their experiences and discuss research on crucial problems of measuring price change. Without avoiding theoretical issues, the focus of the Group is on applied research, particularly though not exclusively in the area of consumer price indices. Participants are specialists and practitioners who work for or are advisers to statistical agencies in different countries or international organizations.

Year organized

1994.

Participants

Members of the statistical offices of Australia, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Iceland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Spain, Sweden, the United Kingdom, the United States, Eurostat, IMF, the ILO, ECE and OECD have attended at least one meeting, as have other experts from these or other countries.

Meetings (approximately annual)

Ottawa, 31 October-3 November 1994

Stockholm 15-17 November 1995

Voorburg, the Netherlands, 16-18 April 1997

Washington, D.C., 22-24 April 1998

Reykjavik, 25-27 August 1999

Topics considered

Fundamental problems of measurement, particularly at the micro-level, have been constant themes. These include estimation (for example, the adoption of the geometric mean at the first step of calculation), sampling and the treatment of quality change in all its manifestations. Questions of bias were considered explicitly at the 1994 and 1997 meetings. The different requirements of indexes for different purposes, for example between inflation measurement and for compensation, have been discussed at more than one meeting. Other topics covered include certain difficult areas of consumer price indexes, such as health and financial services, survey methodology and management, and the growing availability of electronic sales databases (scanner data).

In 1999, two main topics were discussed. The first, "Treatment of quality change in price indices for durable goods", was principally devoted to the use of different techniques and procedures dealing with quality changes in durable goods. The second, "Different concepts of price indices serving different purposes", was principally devoted to the question of whether consumer price indices-intended to measure inflation, escalate incomes or deflate personal consumption-should have the same philosophical base.

Products

Papers and proceedings of the meetings are published.

Planned activities

The Australia Bureau of Statistics has offered to host the meeting in March 2001, and the Institut national de la statistique et des études économiques (INSEE) has offered to host the meeting in 2002.

The topic for the next meeting will be the treatment of quality changes for telecommunication, transportation and utilities. Two other topics have been proposed: (a) the effects of promotions on retail prices; and (b) subsided consumption.

Expected future products (dates)

After future meetings, the proceedings will include a summary of the discussions, and a report of recommendations where agreement can be reached. The meetings will focus on a small number of topics in order to concentrate the preparatory work and the discussions. The first report will follow the meeting in Iceland in 1999.

The web site for the Ottawa Group has been available since November 1998, at:

http://www.statcan.ca/secure/english/ottawagroup

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V. Paris Group on Labour and Compensation

Purpose

To examine, assess and reconcile the various sources of information used to measure labour market conditions and compensation, particularly in the context of the deregulation of labour markets and structural unemployment; and to contribute to improving concepts and their implementation, as well as the construction of new indicators.

Year organized

1997.

Participants

Actual participants: Argentina, Australia, Canada, Denmark, Finland, France, Italy, Netherlands, Poland, Portugal, South Africa, Sweden, Switzerland, United Kingdom, United States, ILO, OECD, Eurostat.

Potential participants: Germany, Japan, Republic of Korea.

Meetings

Paris, 27 and 28 November 1997

London, 6 and 7 July 1998

Paris, 18 and 19 November 1999

Topics considered

1. Key labour market indicators, labour market dynamics, reconciliation of estimates of employment (and unemployment) from different sources, work duration.

2. Earnings and labour costs.

Products

Scientific report(s), February 1999, available at INSEE and on the Internet since January 1999 at:

http://www.insee.fr/va/insee/groupar2.htm (English version)

http://www.insee.fr/vf/insee/groupar2.htm (French version)

Planned activities

1. To analyse the papers and discussions of the Paris 1999 meeting and to elaborate a synthesis of the problems raised and of the ways to solve them (scientific report).

2. To examine the feasibility of producing data on labour force flows by means of short duration data.

Expected future products (dates)

Creation and maintenance of international repositories of labour market data.

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VI. Round Table on Business Survey Frames

Purpose

To provide a forum for the exchange of views and experiences and the conduct of joint experiments bearing on the development, maintenance and use of sampling frames for business surveys (business registers). The Round Table is an informal body and participation is on a voluntary basis. Participants, however, are required to contribute to the programme of the meeting. The Round Table's mandate does not emanate from a formal body but it could, on the basis of its discussions and/or experiments, make a recommendation to a formal body (e.g., the Statistical Commission) concerning, for example, the consideration/adoption of certain practices or standards.

Year organized

1986.

Participating statistical agencies (1999 meeting)

Australia, Canada, Denmark, Eurostat, Finland, France, Germany, Hungary, Italy, Japan, Mexico, Netherlands, New Zealand, Portugal, Sweden, Ukraine, United States.

Meetings (held annually)

First meeting: Ottawa, May 1986

Most recent meeting: Paris, 27 September-1 October 1999

Topics discussed at the Paris meeting

- Electronic business (defining businesses engaged in it, and electronic reporting of statistical information)
- Business demography
- Technology (applications for business registers and to integrate business surveys)
- Globalization
- Quality of business registers
- Use of the business register as a central instrument for all administrative registration by French businesses (observation and discussion of an actual field application in a regional office)

Products

Technical papers produced and discussed at the first 12 meetings are available on a CD-ROM. The host agency updates an Internet site with the most recent documentation after each meeting.

Planned activities

Next meetings: New Zealand, fall 2000 (dates to be confirmed)

Washington, D.C., October 2001

Lisbon, October 2002

Expected future products (dates)

The reports and papers from the Paris meeting will be available on the Internet as of 30 November 1999.

Recommendation to the Expert Group on International Economic and Social Classifications

The members of the Round Table have discussed the information requirements that arise from the increasing globalization of the economy, and the implications of these requirements for business survey frames. One important aspect that arose from the discussion is the very high desirability, for enterprises operating in several countries, of having similar industry (or activity) codes in the registers or sampling frames of all the countries in which these enterprises operate. The members of the Round Table, therefore, encourage the Expert Group to foster harmonization or greater convergence among the major industrial classifications.

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VII. Voorburg Group on Service Statistics

Purpose

To address issues related to the production of services statistics, including service product outputs and inputs, the estimation of the real product of service activities, price indices of services products and industries, and their implications for product and industry classification (Central Product Classification (CPC) and International Standard Industrial Classification of All Economic Activities (ISIC)).

Year organized

1987.

Participants

Australian Bureau of Statistics, Statistics Canada, Statistics Denmark, Statistics Finland, INSEE, Statistisches Bundesamt, Central Statistics Office of Ireland, Instituto Nazionale di Statistica of Italy, Japan Statistics Bureau, Statistics Netherlands, Statistics New Zealand, Statistics Norway, Statistics Sweden, Office of National Statistics of the United Kingdom, United States Bureau of the Census, United States Bureau of Labor Statistics, Eurostat, IMF, OECD, United Nations Statistics Division and World Trade Organization (WTO).

Meetings

The Group meets annually for a week. Previous meetings were held as follows:

1987 (January) — Voorburg, the Netherlands
1987 (November) — Stockholm
1988 — Wiesbaden, Germany
1989 — Ottawa
1990 — Paris
1991 — Helsinki
1992 — Williamsburg, United States of America
1993 — Oslo
1994 — Sydney
1995 — Voorburg
1996 — Newport, Wales
1997 — Copenhagen
1998 — Rome
1999 — Christchurch, New Zealand

Topics considered

At its meeting held in Rome in 1998, the Voorburg Group decided the following topics to be the core activity of the Group for the period 1999-2001: "Service product prices" and "Classification of service products". Other topics to be addressed were the measurement of demand for services by enterprises and the measurement of non-market services, with particular reference to the non-profit sector. It was also decided to contribute the expertise of the Voorburg Group to provide complementary input and feedback to OECD on the classification of information and communication technology (ICT) products and a model survey for the collection of information on ICT usage and demand, based on the Scandinavian experience in collecting such information.

At the meeting held at Christchurch in 1999, the topics set out below were discussed.

Prices

Pairs of countries had either worked together or prepared individual papers on:

(a) Frameworks for the development of economy-wide measures of producer price indices. Two papers on this subject were discussed;

(b) Methodologies for the collection and compilation of prices in particular areas. This group of papers served as a statement of the practice of different countries. The work undertaken was a comparison of alternative methodologies and an examination of their advantages and disadvantages in the areas of telecommunications, computer services and accounting services. Commonalities and convergence of approach were noted;

The estimation of prices of legal services and the measurement of the real output of banking were also discussed.

Classification

Two countries reported their experience of collecting data in selected areas of CPC, and certain recommendations for change were made. An assignment of products to

industries in wholesale and retail trade was proposed, and problems arising in classifying business units to the categories of specialized and non-specialized retail trade in ISIC were discussed. The prices papers compared the classifications used by them as compared to CPC, and commented on the suitability of CPC from the point of view of pricing products.

Demand for services by enterprises

A proposed model survey and the results of actual data collection by some members of the Group were discussed, with particular reference to the difficulties of collecting the information, the categories of expenditure for which data were sought and possible ways of improving responses to surveys of detailed services expenses.

ICT

The Group discussed the proposed OECD approach to the definition of e-commerce, and agreed to provide further feedback on the proposed model survey for the collection of data relating to the usage of ICT and the definition of content industries and products.

Non-profit institutions

The identification and definition of non-profit institutions serving households was discussed as also the need for satellite registers for such non-profit institutions to enable data collection.

Products

In the past, model surveys have been developed for computer services (*A Model Survey of Computer Services* (Statistical Papers, Series M, No. 81)), telecommunications, audio-visual services, marketing research and advertising services, and insurance services. More recently, model surveys have been developed for employment services (1997), education services (1998) and demand for services (1998,1999).

Papers discussed at the Christchurch meeting are all available on the New Zealand Statistics Office web site (www.stats.govt.nz) e.g., on prices (interim papers on economy-wide price index frameworks and producer price index aggregation models) and methodology for compiling (producer price indexes for wired telecommunications carriers, computer services, accounting and legal services, and a volume index for the output of banking based on quantity indicators).

A complete list and all the papers presented to and discussed at the Voorburg Group meetings since its inception are available on the Voorburg Group web site at:

http//www.statcan.ca/secure/english/citygrp/voorburg/template1.html

Planned activities

The next meeting will be held on 18-22 September 2000 at Madrid. The Group will continue to work on the subjects decided upon at the Rome meeting. The first two days of the next meeting will be devoted to producer price indices. Work on business demand for services and ICT will continue. Countries will work together in pairs in agreed areas and work will be undertaken during the year. The Group will expect to arrive at conclusions, with implications for future data collection on services activities and products in each of the selected areas by the end of the three-year period. It will discuss the results of the work undertaken during the year at the next meeting, which will be held at Madrid.

It is expected that as the experience of estimating prices in the areas of telecommunications, computer services and selected professional services is reported by more countries, consensus will begin to emerge as to the most practical methodology and approach to the compilation of statistics relating to prices of products and industries in selected service areas, particularly telecommunications, computer services and certain professional services. At the end of the three-year period, it will be possible to draw together some general conclusions as to the pros and cons of various methodologies and report on a preferred approach.

Any experience relating to the suitability of CPC, version 1.0, or proposals for revision recommended by the members of the Voorburg Group will be forwarded to the Expert Group on Economic and Social Classifications for their consideration for the next update of CPC.

Expected future products (dates)

A model questionnaire on ICT usage by enterprises will be produced and presented to OECD's Working Party II on Information Society Indicators (2000).

At the end of the three-year period (2001), it is expected that:

(a) Reports will be produced on producer price indices for telecommunications, computer services and selected professional services, such as accounting. In the interim, reports and papers will be available every year;

(b) A model questionnaire on purchased service inputs will be prepared.

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